

The Canterbury Sheepowners' Union

[N.Z. Sheepowners' Industrial Union of Employers (Regd.)]

ANNUAL REPORT

For the Year ending 30th June, 1943

OFFICERS FOR 1942-43

President:

E. HAY, Pigeon Bay.
Deceased 10/3/43.

Acting President:

G. FULTON, "Okuku Pass," Rangiora.

Acting Vice-President:

G. H. GRIGG, Hororata.

Treasurer:

H. D. ACLAND, Christchurch.
Deceased 12/12/42.

Acting Hon. Treasurer:

R. C. TODHUNTER, Rakaia.

Past Presidents:

(Who are ex officio members of the Committee)

JOHN DEANS, Coalgate.

L. A. RUTHERFORD, Woodgrove.

L. G. D. ACLAND, Christchurch.

D. W. WESTENRA, Dunsandel.

W. W. McRAE, Waikari.

R. M. MORTEN, Riccarton.

Auditors:

McKELLAR, McCALLUM & ELLYETT.

Committee:

H. J. D. Acland, M.P., Mt. Peel.

H. C. Acton-Adams, "Clarence Reserve," Kaikoura.

W. Hanmer Atkinson, "Woodbank," Hanmer Springs.

R. Bethell, "Pahau Pastures," Culverden.

F. H. Courage, "Seadown," Amberley.

J. F. Cracroft Wilson, Cashmere, Christchurch.

D. Deans, "Rowallan," Waddington.

L. C. Gardiner, "Woodchester," Waiau.

H. D. Greenwood, "Teviotdale," Amberley.

G. H. Grigg, "Haldon Pastures," Hororata.

H. B. S. Johnstone, "Spring Bank," Otaio.

J. L. MacFarlane, "Lyndon," Waiau.

H. V. Murray, "Roto-iti," Scargill.

W. H. Orbell, "The Levels," Timaru.

C. A. Parker, Burke's Pass.

T. C. Robinson, "Mt. Palm," Rotherham.

G. L. Rutherford, "Connemara," Parnassus.

G. O. Rutherford, "Lochiel," Culverden.

R. C. Todhunter, "Blackford," Rakaia.

P. R. Woodhouse, "Bluecliffs," St. Andrews.

Secretary:

Wm. H. NICHOLSON, Box 872, Christchurch.

Telegrams: "Sheep," Christchurch.

ANNUAL REPORT

FOR THE YEAR ENDING 30th JUNE, 1943.

GENTLEMEN,—

It is the duty of your Committee to present the Forty-first Annual Report and Balance Sheet of the Union.

It is with the deepest regret that your Committee has to record the serious loss sustained by the Union through the deaths of the Late Messrs. E. Hay, President, and H. D. Acland, Hon. Treasurer.

The Late Mr. Acland was a Past President of this Union and acted as Hon. Treasurer continuously from 1931. He was elected President of the Sheepowners' Federation early in 1910, holding that office for nearly thirty-three years, until his death on the 12th of December last.

His first active participation in industrial matters affecting the farming community generally, was in 1908, when jointly with other employers' representatives, he arranged for evidence to be placed before a special commission set up to inquire into the feasibility of arranging a scale of pay and Award conditions of work for various classes of farm labour, the result being that it was ruled to be impracticable to classify farm labour on farms to the extent claimed. Prior to the sitting of this commission, Mr. Acland had also been prominently associated in discussions re the rates of pay and working conditions for shearers, the result being the first Shearers' Award filed in the Dominion, and since that time he had been active in industrial matters particularly affecting the sheep-farming industry, resulting in a succession of Arbitration Court Awards, culminating in the present Shearers' and Shed Hands', and Musterers' and Drovers' Awards, filed in August last, and the amended schedule of rates of pay for farm workers under the Agricultural Workers' Act, also gazetted in August last year.

Sheepowners generally throughout the Dominion owe a deep debt of gratitude to the Late Mr. Acland, for the manner in which he safeguarded their interests on general grounds, endeavouring as far as was possible to have anomalies corrected when legislation was being prepared affecting farming interests.

Throughout the years in which he was closely connected with the interests of sheepowners, Mr. Acland made large numbers of friends, and his loss will be sincerely regretted by the many thousands of people who have received benefit from his activities in their interests during his long period of disinterested service.

The Late Mr. Acland has fully maintained the highest traditions of public service, and his example should be an inspiration to those who have had the privilege of being associated with him.

The loss to our Union through the death of our President, the Late Mr. E. Hay, which took place on the 10th of March last, will also be a matter for the deepest regret to members. The Late Mr. Hay was actively associated with our Union affairs from its earliest years, and he worked consistently in the interests of sheepowners, keeping close contact with Mr. Acland throughout the whole of that period.

He also filled the position of Hon. Treasurer to our Federation for over twenty-one years, and was President of our Union from 1931 until the date of his death.

Both the Late Mr. Acland and Mr. Hay were outstanding figures in so many ways as to make it difficult to assess the great value of the work done by them in the interests of their fellow sheepfarmers and the farming community in general.

Letters expressing the deepest sympathy were sent to the relatives in each case, and your Committee wishes to place on record on behalf of members, its grateful appreciation of the long period of faithful and disinterested service given by them in the interests of sheepowners during a lifetime of service.

Your Committee also wishes to place on record its sincere regret, and sympathy with the relatives of the Late Rt. Hon. J. G. Coates, whose death will be deeply deplored by all sections of the community. The record of his fearlessness in facing difficulties often without precedent to guide him during some of the most strenuous years the Dominion has experienced, will be greatly appreciated by all sections of political thought. He was always a staunch friend to the farming community, and he had always expressed his conviction that the prosperity of the Dominion as a whole, depended upon the continued prosperity of primary producers generally. News of his sudden death must have deeply shocked farmers throughout the Dominion, many of whom will have grateful memories of assistance rendered to the industry by him, during his useful and strenuous political career, and your Executive takes this opportunity of paying its grateful tribute to his memory on members' account.

In addition to those deceased gentlemen already mentioned, our Union has suffered further serious loss through the deaths of the Late Messrs. Hugh Ensor, of "Rakahuri," Rangiora, E. Gates of "Chilcombe," and J. O. Davies, of "Homecreek," Waiau. Each of these gentlemen have given loyal service of great value to our industry and have been members of our Union for many years.

The service given by the Late Mr. Hugh Ensor, is too well known to need special mention here, the high standard of quality of his sheep stud being well known and appreciated both in New Zealand and elsewhere, over a long period of years. His loss, with that of Messrs. E. Gates and J. O. Davies, will be deeply regretted by a great number of members.

FINANCE.—Our financial year ended with a sum of £448/10/9 in hand, and the total assets of the Union at £904/13/6. The Balance Sheet discloses a satisfactory financial position, but your Committee again stresses the need for prompt payment of subscriptions, with a view to reducing the amount required for postages, stationery, etc., and to maintain adequate finance for the carrying on of the Union's work in the interests of members.

MEMBERSHIP.—Our membership remains approximately the same as last year, and although a steady increase is desirable, it is recognised that present conditions may militate against this, but it is essential that our membership should be maintained as nearly as possible at the present level, at least during the war period.

As a Statutory Body representing employers in the sheep farming industry, it will be recognised that our membership must necessarily remain limited to employers as defined under the provisions of the Arbitration Act, and a mixed membership is not practicable under the terms laid down by the Act under which we are registered as employers of labour in the sheep-farming industry. It is essential that our Union should maintain its standing as an employers' organisation as if this is not done, our usefulness to employers in our industry with respect to industrial matters, would end.

EXECUTIVE.—The Committee has again experienced a very difficult year, these difficulties having been accentuated through the deaths of the Late Messrs. H. D. Acland and E. Hay, but head office has continued to work in the interests of members along lines following as closely as possible the accepted policy of the Union in the past. To enable this to be done, Mr. Gordon Fulton (Vice-President), was unanimously elected President at a special meeting following shortly after the death of Mr. Hay, with Mr. Gilbert Grigg acting Vice-President, and Mr. R. C. Todhunter as Hon. Treasurer.

Close touch has been maintained with Ministers and heads of Departments dealing with questions directly concerning our members, probably the most urgent of which has been the question of the method of payment by the Government to woolgrowers of the 15% increase in wool granted by the British Government for our 1942-43 wool clip.

INCREASED WOOL PRICE.—The position with regard to representations made by woolgrowers' representatives from the Conference called in June last year at the request of the Government, is well known to members, our Federation jointly with representatives from the Farmers' Union having definitely refused to accept the suggestions made by the Government with regard to the proposed method of payment, and maintaining the right of growers to receive the full amount in payment along similar lines to those followed in South Africa and Australia. The decision of the Conference was unanimous in this respect, and a sub-committee was appointed to continue negotiations with the Government through the Stabilisation Commission, in the hope that a satisfactory agreement could be reached.

Protracted negotiations by the sub-committee with the Stabilisation Commission however, failed in this respect. The woolgrowers' representatives at the final discussion with the Stabilisation Commission offered to accept payment on the basis of 5% in cash and 10% in Government Bonds, the object being to assist the Government in its stabilisation scheme, and this offer, which was a more liberal one from a monetary point of view than the method suggested by the Government, was not accepted, and the Rt. Hon. the Prime Minister stated subsequently the Government's intention to retain approximately 1% of the 15% increase, to be used to provide the local woollen mills with wool at a price lower than its export value, and having as its object the maintenance of the supply of manufactured woollen goods to the Government and the public generally at the previous levels of price. It was further proposed by the Government to retain an additional 5% to be issued to farmers in non-negotiable bonds. The woolgrowers' representatives could not, and have not agreed to any deductions, on the ground that it was unjust to charge the whole cost of stabilisation of price of woollen goods to the whole of the community at the expense of woolgrowers only.

On January 28th last, the woolgrowers' representatives met the Prime Minister and Cabinet, following a discussion on the previous day with the Stabilisation Commission, at which no agreement was reached. The offer previously made to the Stabilisation Commission to accept payment on the basis of 5% cash and 10% in Government bonds, was repeated, but the Prime Minister refused to accept this offer, and he informed our representatives of the Government's decision with regard to the method of payment for the current clip, as decided on by Cabinet. The Prime Minister made it quite clear that the decisions re this matter were definitely made as a matter of Government policy under its stabilisation proposals, and he was prepared to accept full responsibility for them on behalf of the Govern-

ment. The growers' representatives again stated that the Government's decisions were quite unacceptable and could not be agreed to by them on behalf of woolgrowers.

On the 29th of January an official statement setting out in detail the Government's proposals over the signature of the Rt. Hon. the Prime Minister, was received at head office and published in the Press throughout New Zealand on the 30th of January.

The statement reads as follows:—

"With particular reference to the 15 per cent. addition on the price of greasy wool agreed to by the United Kingdom Government, the Government has made the following decisions:—

1. That payment in full of the additional 15 per cent. payable by the United Kingdom Government on this season's export greasy wool clip would be made to growers, partly in cash and partly in non-transferable Government Stock, but the additional 15 per cent. would not be paid to growers on the wool which would be used in New Zealand.

2. In accordance with this decision the position will be as follows:

(a) Greasy wool appraisals this season have been made on the basis of 1941/42 prices plus 15 per cent. and from these new values 10 per cent. is being retained.

(b) The ten per cent. retained will be disposed of as follows:—

(i) An amount estimated at 1 per cent. required to cover the difference between appraisal values and prices charged for wool sold in New Zealand for local use.

(ii) 5 per cent. will be paid to growers in non-transferable Government Stock.

(iii) The balance estimated at approximately 4 per cent. will be paid to growers in cash at the end of the season.

3. Stating the decision in terms of 15 per cent. addition to last season's greasy wool prices the position of the grower in respect of the 1942/43 season's greasy wool clip will be as follows:—

(i) On appraisal he is now receiving on average an increase of 3½%.

(ii) He will receive in non-transferable Government Stock 5.744 per cent.

(iii) At the end of the 1942/43 season he will receive in cash an estimated amount of 4.556 per cent.

the total of these increases in cash and bonds being 13.8 per cent., leaving an estimated amount of 1.2 per cent. for local wool.

4. The Government agrees that in cases of hardship the amount of inscribed stock would be replaced by cash or transferable bonds. The Government also agrees that the stock will be available for death duty purposes.

This arrangement provides for the disposal of this year's clip only and the matter of next year will have to be dealt with in full harmony with economic stabilisation conditions.

At the present time the Government has put into operation a scheme of stabilisation of wages, salaries and retail costs on the one hand, and producers' prices and major costs on the other. Under this scheme the woolgrowers will receive substantial benefits. Firstly, there is an undertaking that their major items of cost will be held at existing levels despite the fact that many of the imported articles are rising steeply in price. Secondly, there is an undertaking that if there is any further general rise in wages there will be an appropriate increase in the prices of primary products including wool.

Furthermore, while the stabilisation scheme remains in existence woolgrowers will be protected from any fall in overseas price. This will have the effect under stabilisation of placing woolgrowers on the same footing as other sections of the community."

Following the declaration of the Government's policy as set out in the Prime Minister's official statement, an amendment to the Purchase of Wool Emergency Regulations 1939, was gazetted in March last. This order provided that the non-transferable Government Stock is to be referred to as "Wool Deferred Payment Stock," and fixes the date for redemption at par as at the first day of February 1948 (five years), this stock to bear interest at 3% per annum, payable half-yearly. The only allowable transfer of this stock is for the purpose of payment of death duties when it will be accepted at par value for this purpose, and shall be deemed to mature for payment on the date of transfer, plus any interest accrued remaining unpaid at the date of such transfer, in other words, deferred stock may be used at its face value for payment of death duties only, during the period of its currency. The same regulation also deals with the payment for slipe wool, and provides that approximately 4 1-3% of the increased appraised price of slipe wool shall be paid to the meat industry account to the credit of the subsidiary account known as the Meat Pool Account. Payment of the balance of the appraisal price is already being made along similar lines to that of the previous season as affecting slipe wool.

Since the gazetting of the amendment to the Emergency Regulations mentioned above, the method of payment by means of non-transferable Government Stock, referred to as "Wool Deferred Payment Stock," has been modified, and an official ministerial statement published in the Press throughout the Dominion on June 26th, states that the Government has now decided, with a view to encouraging and facilitating subscriptions to the Third Liberty Loan, to give woolgrowers the right to take up the amount due to them, in any of the forms of negotiable securities now being offered, and that growers who prefer to take up Inscribed Stock should advise the Treasury whether they wish to take up 2½% stock or 3% stock, ordinary or death duty. In those cases where no advice is received from the grower by the Treasury, a five year National Savings Bond with interest compounded at approximately 3%, will be issued in time for inclusion of the figures in the Liberty Loan. The approximate amount that the grower will be entitled to receive in cash in August next, is estimated at 8½%, comprising the remaining 5% which was held in reserve, plus an additional 3½% on account of adjustment on appraisal prices, which have been found to be roughly 3½% below the purchase price. The statement adds that this will mean "that when the Marketing Department makes its final adjustment payment in August, the grower will receive a final payment in cash of approximately 8½%."

The Minister also stated that arrangements would be made to enable those woolgrowers who desired to do so, to have the full amount of the final adjustment payment of approximately 8½% issued in the form of War Loan Securities, when the settlement is made by the Marketing Department in August next, and growers who wish to assist the war effort by accepting this form of payment, should advise the Secretary of the Treasury accordingly.

The Minister also stated that receipts for next season's wool clip will be dealt with in the same way as for this season, including part payment in War Loan Securities in place of non-negotiable Wool Deferred Payment Stock.

STABILISATION.—While the delay by the Government in implementing the unanimous recommendations from the Stabilisation Conference is to be regretted, it will be encouraging to note the definite nature of the undertaking by the Prime Minister as set out in his published statement re wool payments, viz., that under the Stabilisation Emergency Regulations gazetted in December last, the Government definitely undertakes that major costs in our industry will be held at the levels as existing on the date of the gazettement of the regulations, although many imported articles are rising steeply in price.

This, coupled with the further undertaking that appropriate increases in prices of primary products, including wool, will be paid should any further general rise in wages take place, is equally reassuring.

A further assurance given, that “while the stabilisation scheme remains in existence, woolgrowers will be protected from any fall in overseas prices,” is also gratifying.

Individual cases of exploitation of the shortage of man-power by seasonal workers in our industry through excessive demands being made with regard to shearing rates of pay during the past season, were brought to the notice of the Chairman of the Stabilisation Committee, in the hope that some means of meeting the position might be evolved in accordance with the regulations.

Your Committee is of opinion, that the increase in rates of pay provided in the present Shearers' and Shed Hands' Award based on the Sliding Scale (and which takes into account the increase granted in wool prices), should provide a fair and reasonable price for shearing, and that if the increased rate provided in the Award is paid, plus the bonus to cover special circumstances granted to shearers in the 1942 season, could be fixed under the regulations, both employees and employers would receive fair treatment.

INDUSTRIAL.

A new Shearers' and Shed Hands' Award, based on the sliding scale, was filed in the Arbitration Court on the 29th of August last, following conferences with the workers' representatives at Wellington in July. The application of the scale resulted in an increase in shearing rates of 2/- per hundred over the rates paid during the 1941-42 season, with a proportionate increase to shed hands and cooks, the minimum rates for crutching being increased by 1/6 per hundred. A new clause in the Award provides that the rate for shearing double fleeced sheep shall be rate and a half.

Members will please note that it is necessary to make definite arrangements before the commencement of work as to the terms of payment to be made to shed hands, cooks, etc., whether on a weekly or hourly basis, and should the employer fail to do this, then the workers have the right under the Award to stipulate the basis on which they prefer payment, weekly or hourly as the case may be.

The Award has a currency of three years, as from the 31st July last, the date of expiry being 31st July 1945.

Musterers', Packers' and Drovers' Award: This Award expired on the 31st July last, and the workers' representatives during the discussions expressed the hope that it might be possible to extend the sliding scale principle to rates of pay for musterers, drovers, etc., when new awards required to be made in the future. Rates under this award were increased sufficiently to cover the Arbitration Court's Cost of Living Order, but the Award provides that rates under it shall not be subject to any further general Orders made under The

Rates of Wages Emergency Regulations. This Award expires on the 31st day of July 1943, but in view of the provisions of the Industrial Emergency Regulations, it would appear that the question of rates of pay and working conditions may not arise while the Government Stabilisation Scheme is in operation.

The Agricultural Workers' Extension Order, 1942, was gazetted on the 12th of August last, and provides for an all-round increase in wages; the new rates being in accordance with the following schedule:

		Per week.			
		£	s.	d.	
For workers under the age of 17 years	1	2	0	} And Found
For workers of the age of 17 but under 18	....	1	9	0
For workers of the age of 18 but under 19	....	1	16	0
For workers of the age of 19 but under 20	....	2	3	6
For workers of the age of 20 but under 21	....	2	10	6
For workers of 21 years of age and upwards	2	17	6	

An allowance of an additional £1 weekly to be paid to workers who find their own board and lodging.

The rates for casual workers are now, Harvesters 2/6 per hour with rations.

		By the hour.		By the day.	
		Found.	Not found.	Found.	Not found.
Other adult workers	....	1s. 11d.	2s. 3d.	15s. 4d.	18s.
Youths up to 18 years	....	1s. 3d.	1s. 6d.	10s.	12s.

Members have already been supplied with copies of the Agricultural Workers' Order, Musterers' and Drovers', and Shearers' Awards, and they may obtain additional copies on application to the head office of the Union.

MEAT PRICES.—Meetings have been held in the South Island to discuss the Government's proposals for the standardization of meat, and stabilisation of meat prices, and as a result of several conferences, an effort is being made to reach an agreement for a scheme to control the prices of fat stock within the stabilisation range of values, with a view to ensuring that prices paid shall be as nearly as possible on a stable basis, while at the same time giving a reasonable return to the producer. Representatives of Stock and Station Firms, Farmers' Union, Sheepowners' Union, and Saleyards Companies in Otago and Canterbury, met representatives of the Minister of Supply, Master Butchers and others, and a tentative scheme was subsequently agreed on to control the prices of fat stock within the stabilisation range of values, with an increase in the basic price for beef during the winter months in weekly increments starting from the beginning of June, with a return to the basic price in November or December. A Committee has been set up representing growers and fatteners, Master Butchers and Stock and Station Agents, whose duty it is to watch the market, and when prices rise unduly above the basic rate set down, steps are to be taken to steady the market by importation of meat from outside districts, with a view to ensuring as far as possible, an even flow of fresh meat, particularly of beef and wether mutton, to the domestic markets in the South Island where the cost of production of beef and wether mutton is admittedly higher than in other parts of the Dominion during the winter months. When the Government's grading scheme is in full working order it is proposed that all joints sold through butchers' shops will be ticketed and sold according to grade. An effort is now being made to allow an increase in the increments of price during the winter months to ensure that additional costs of winter fattening are met. It is hoped that no drastic alteration in the method of sale of fat stock will be found to be necessary.

TAXATION.—National and Social Security: Anomalies have arisen with respect to the deductions required to be made for musters, who find their own dogs, horses, etc., compared with drovers who are allowed a tax deduction of one-third on the total wages paid; representations have been made to the Taxation Department, with a view to simplifying the position from the point of view of the responsibility of the employer as to the correct procedure. The whole question of the incidence of this tax is being reviewed and an official statement has been promised from the Department, setting out the position for the guidance of the parties concerned. Members are advised to continue the present method until the new ruling is given by the Department.

HOSPITAL RATING.—The suggestion by the Government that the Government subsidy to hospitals should be increased from 6/- to 9/- per occupied bed per day, as announced by the Minister of Finance in his financial statement, should prove of great assistance with respect to hospital costs, which have shown such a marked increase during the last two years. The relief in hospital levies on local bodies should be substantial and in view of the enormous increases demanded under this head during recent years, this recognition by the Government of the necessity for meeting additional costs from a more general source, will be appreciated.

MAINTENANCE COSTS.—Representations have been made to the Taxation Department and several personal interviews have taken place with the Commissioner in the hope that some arrangement could be made under which an amount based on the average of maintenance expenditure over a pre-war period, to be decided on, could be set aside as a trust account free of income tax for rehabilitation purposes, in post-war years, when labour and materials again become available.

Interviews with the Commissioner took place in September last, but the Department could not see its way to agree to the suggestions made.

Early in October a letter setting out the proposals in detail and suggesting that some amendment of the law enabling farmers to establish reserves free of income tax to spend in purchase of manures, fencing, labour, gorse grubbing, scrub cutting, etc., in seasons immediately following the end of the War, was submitted in Wellington, the point being stressed that the depreciation in the land, owing to inability to spend the usual maintenance money would far more than offset the amount usually spent in yearly maintenance.

It was represented that the decrease in expenditure for maintenance each year means an increase in money income on which taxation is now assessed, but a very serious depreciation in productivity of the land, value of improvements, and the farmers' capital generally. The Commissioner in reply, stated that although he realised that expenditure which should be incurred annually, had in many cases to be deferred, he did not consider that any departure from the existing practice was warranted.

Efforts have been continued, however, in the hope that the Government may see its way to give some measure of relief. The taxation committee of the Associated Chambers of Commerce made further representations in terms of a letter sent to the Hon. Minister in charge of Land and Income Tax, again urging the necessity for some relief to be given, both with regard to farming operations and also to the reserve funds for the replacement of plant and machinery in

secondary industries, but no satisfactory replies have yet been received re this matter from the Department concerned. The assistance given by the Associated Chambers of Commerce Committee is much appreciated.

RABBIT CONTROL.—The experience under the Sale of Rabbit Skins Emergency Regulations 1942, has not come up to expectations, the levy on sales of winter skins to be used to subsidise rabbit destruction in summer, not having quite the effect anticipated, due possibly to the difficult labour conditions, and great demands for labour in other industries. An extension of the system of Killer Rabbit Boards is now suggested, the operations in those areas controlled under this system have been proved successful, and farmers speak highly of the results obtained. While this may have been the experience on certain classes of country, it would appear that special measures might be necessary in some areas if adequate control of the rabbit menace is to be fully achieved. A personal assurance has been given by the Minister that the position will be carefully watched, and if this is done and anomalies removed where these are shown to exist, the problem would appear to be well on the way to solution.

MAN-POWER.—The man-power position in our industry has been the subject of repeated representations from head office to the Ministers and Departmental Officers concerned, and your Committee wishes to place on record its appreciation of the courteous attention and ready assistance given with respect to applications for release of special men during the peak season. Both the National Service Department and also the Man Power officers have been most helpful and their anxiety to give every assistance when asked, is greatly appreciated, always taking into account military requirements which are often quite outside their jurisdiction.

An effort is now being made to replace essential and key farm workers classed A1, with lower grade men, and it will be obvious that if efficiency in production is to be maintained, the greatest care will be needed to ensure that the largest possible proportion of competent and experienced men be retained on the farm, and having in view the urgent appeals being made for increased production of food stuffs of almost every kind for the armed forces in our immediate vicinity, it must be apparent that such increases will be unattainable should the combing out process be unduly enforced.

Following repeated representations urging the reduction in parade hours for Home Guard Units, particularly in country areas, a reduction from 24 to 8 hours per month for training purposes was announced under authority from the Hon. Minister of Defence in December last. With the Home Guard now under army control and a definite training period being arranged for in the slack season, some measure of relief should result. Commanders have also authority to grant leave of absence from parades where reasonable cause can be shown. The easing of conditions with respect to the release of men from camp for urgent farm operations is also much appreciated.

STAGGY LAMBS.—Statistics have been received at this office from several sources drawing attention to the large proportion of ram and staggy lambs being killed at the various works. The increase in the numbers of these lambs killed is very noticeable since the introduction of the various types of emasculators placed on the market in recent years. These records show that many thousands of ram or staggy lambs were killed in this condition last season, and this year a proportionate increase in numbers has been noted. It will be appreciated that the killing rate for this class of lambs is rate and a half

under the Award, as compared with the rate for ordinary rams, and that the quality of these lambs deteriorates and the carcase becomes coarse and staggy as the season advances, and must be graded as either second quality, rejected or canned. Members' attention is drawn to this matter in the hope that greater care will be used in the treatment of lambs at the tailing season, thus avoiding considerable loss to producers.

TRANSPORT OF LIVE STOCK.—District Live Stock Transport Committees have been established, with a view to conserving petrol and tyre supplies, and the adoption of priorities by the Government, as recommended from the conference held in Wellington in August last, has proved to be of great assistance in minimising transport difficulties for stock generally. Your Committee wishes to place on record its appreciation of the good work of the railway and transport departments in this connection.

DEHYDRATION PLANTS.—The necessity for the provision of the maximum number of drying plants both for meat and vegetables for export, in order to meet possible future shipping difficulties, was stressed by your Committee, and this matter is now receiving the attention of the New Zealand Meat Producers' Board in conjunction with the Ministry of Supply.

The difficulty of obtaining the necessary machinery and materials in adequate quantities for this purpose is recognised, but it is hoped as a result of discussions now taking place, that the position will be satisfactorily met in this respect. Members will be glad to know that the shipping position has improved, and there is no immediate cause for anxiety.

SUGAR RATIONING.—Difficulties having arisen with regard to the supply to shearers and casual workers re this matter, an effort is now being made to rectify the position, which appears to be due to the casual view taken by many workers as to their obligations under the rationing system. Your Committee would stress the need for compliance with the regulations by workers, as the difficulties of employers who are equally bound by the regulations, will be appreciated.

Many cases required attention by head office during the year from a departmental point of view as well as with respect to industrial matters, and members are requested to refer any questions of individual or general interest to head office as promptly as possible, so that effective action may be taken in their interests.

The continued co-operation and assistance given to head office by members in the conduct of the Union affairs when required during the year, is again acknowledged, and the work done has again proved of the greatest value to members.

Signed on behalf of the Executive,

G. FULTON (Acting President).

W. H. NICHOLSON (Secretary).

31st July, 1943.

INCOME AND EXPENDITURE ACCOUNT, for Year Ended the 30th June, 1943.

	£	s.	d.		£	s.	d.
To Salaries and Wages	613	10	8	By Subscriptions	763	10	0
„ Postages	24	17	6	„ Excess of Expenditure over Income	25	6	4
„ Printing, Stationery and Advertising	15	13	5				
„ Rent	75	0	0				
„ General Expenses	22	10	3				
„ Subscriptions Written Off	37	4	6				
	£788	16	4		£788	16	4

BALANCE SHEET as at 30th June, 1943.

LIABILITIES.				ASSETS.			
	£	s.	d.		£	s.	d.
Sundry Creditors			141 10 8	Cash in Hand	3	5	11
Subscriptions Paid in Advance			0 8 0	Bank	440	4	10
Accumulated Fund, 30/6/1942	788	1	2	Sundry Debtors	4	2	9
Less Excess of Expenditure for Year	25	6	4	Office Furniture	0	0	0
			762 14 10				
	£904	13	6		£904	13	6

We report having audited the Accounts and Balance Sheet of the Canterbury Sheepowners' Industrial Union of Employers for the year ended 30th June, 1943, and in our opinion, the above Balance Sheet is drawn up so as to exhibit a true and correct view of the Union's affairs according to the best of our information, and the explanations given to us, and as shown by the Books.

CHRISTCHURCH,
23rd July, 1943.

McKELLAR, McCALLUM & ELLYETT,
Public Accountants, Auditors,

Wyatt & Wilson Ltd.